

REVITALIZING RETENTION: EXPLORING STRATEGIES TO REDUCE HIGH TURNOVER RATES IN THE FOOD AND BEVERAGE INDUSTRY

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Abstract

This research paper examines the relationship between employee motivation, job satisfaction, and job performance in a sample of 86 employees from Lot 9 and Michael's Garden. The study is quantitative, utilizing surveys to gather data on employee perceptions of their work environment, job satisfaction, and performance. The results of the study indicate a strong positive correlation between employee motivation, job satisfaction, and job performance, with highly motivated and satisfied employees exhibiting higher levels of job performance. Additionally, the study highlights the importance of providing opportunities for employee growth and development, recognizing and rewarding employee contributions, and fostering a positive work culture in promoting employee motivation and job satisfaction. The findings have implications for organizational leaders and suggest the importance of prioritizing employee satisfaction and well-being in creating a productive and fulfilling work environment.

Keywords: Motivation, Performance, Retention, Satisfaction, Turnover

INTRODUCTION

The hospitality industry in Indonesia has been experiencing tremendous growth over the past few years. This is largely attributed to the country's rich cultural heritage and diverse natural attractions, which have made it an increasingly popular tourist destination. As a result, the hospitality industry has become one of the largest contributors to Indonesia's economy, providing employment opportunities to millions of people across the country.

Indonesia's Food and Beverage industry is diverse, ranging from street food vendors to high-end restaurants. Casual dining restaurants are prevalent in Indonesia and in high demand, leading several brands to open multiple locations to cater to their customers' needs. A casual dining establishment offers food that is reasonably priced and is served in a more relaxed atmosphere, occupying a middle ground between fast food and fine dining. Such restaurants are characterized by a comfortable and informal environment that fosters a friendly and relaxed ambiance (Naushad, 2021).

According to Przybylski (2018), the Food Service Industry in Indonesia has

identified two key consumer groups as being highly desirable: the middle-income group and millennials. These groups are attractive due to their sizable population and distinct consumption habits. Millennials have a tendency to eat at restaurants about 2.3% of their total meals, or approximately once a week, which is a higher percentage compared to older generations. For example, Generation X born between 1960-1980 has a tendency to eat out only 1.6% of the time (Yuliawati 2018). As a result, preliminary data for 2021 indicates that the GDP generated by food and beverage service activities in Indonesia was approximately 333.1 trillion Indonesian rupiah, representing an increase of around 14 trillion Indonesian rupiah compared to the previous year (Statistia, 2022). According to Shaid (2022), "Ekonomi Kreatif" (EKRAF), literally translates to "Creative Economy", is a concept in economics that emphasizes creativity and information. It relies on ideas and knowledge from human resources as the main factor of production in its economic activities. From 2010 to 2017, the creative economy sector's GDP experienced continuous growth and contributed positively to the national economy (Tempo Institute et

al., 2020). The GDP and its contribution to the economy rose from IDR 526 trillion in 2010 to IDR 989 trillion in 2017. Furthermore, the culinary subsector makes up approximately 42% of the creative economy's total GDP on an annual basis.

However, the Food and Beverage industry in Indonesia also faces challenges, the prominent issue being high employee turnover rates. This can be costly for businesses, leading to increased recruitment and training costs and decreased productivity. According to EHL Insights (n.d.), it is estimated that in early 2019, the food service industry had a high employee turnover rate of up to 75%, implying that restaurants could anticipate losing three out of every four employees in a year.

Research has shown that employee motivation, job satisfaction, and performance are crucial factors that contribute to reducing employee turnover rates in the hospitality industry. Motivated and satisfied employees tend to be more committed to their work, leading to improved job performance and reduced turnover rates. Therefore, understanding the factors that motivate employees, increase their job satisfaction, and improve their performance is vital for the success of businesses in the hospitality industry.

This research paper aims to investigate the impact of employee motivation, job satisfaction, and performance on reducing employee turnover in Indonesian chain restaurants, namely Lot 9 and Michael's Garden. The objectives of this study are to (1) identify the factors that motivate employees in the Food and Beverage industry in Indonesia, (2) examine the relationship between employee job satisfaction and performance, and (3) assess the impact of employee motivation, job satisfaction, and performance on reducing employee turnover. The aim of this research is to offer guidance and suggestions to companies operating in the Indonesian Food and Beverage sector, with the goal of enhancing their workforce retention rates and, as a result, their overall business performance.

LITERATURE REVIEW

Employee Motivation on Job Satisfaction and Performance

Employee motivation refers to the driving force behind an employee's behavior and effort at work. It is a crucial factor in determining the level of job satisfaction, engagement, and productivity among employees. According to Robbins and Judge (2017), employee motivation can be defined as "the willingness to exert effort to achieve organizational goals, conditioned by the effort's ability to satisfy some individual need." Motivation can come from a variety of sources, including intrinsic factors such as job satisfaction, a sense of accomplishment, and personal growth, as well as extrinsic factors such as rewards, recognition, and job security.

Employee motivation has significant implications for organizations. A motivated workforce is more likely to be engaged and productive, leading to improved performance and higher levels of job satisfaction (Robbins & Judge, 2017). Motivated employees are also more likely to stay with the organization for longer periods, reducing turnover rates and associated costs. Furthermore, effective motivation strategies can lead to improved organizational outcomes such as increased innovation, creativity, and customer satisfaction (Gagné & Deci, 2005). This highlights the importance of creating a work environment that fosters employee motivation and encourages employees to achieve their full potential.

Maslow's theory of hierarchy of needs is a well-known theory in the field of psychology, which is often applied in understanding and explaining employee motivation. According to Maslow's theory, individuals have a hierarchy of needs that must be satisfied before they can move to the next level of needs (Maslow, 1943). Maslow's hierarchy of needs consists of five levels: physiological needs, safety needs, love and belonging needs, esteem needs, and self-actualization needs. The first level of needs is physiological needs, which include basic human needs such as food, water, and shelter. The second level is safety needs, which include the need for job security, stability, and protection. The third level is love and belonging needs, which include the need for social relationships and a sense of community. The fourth level is esteem needs, which include the need for recognition, respect, and status. The final level is self-actualization

needs, including the need for personal growth and achieving one's full potential.

In the workplace, organizations can apply Maslow's theory to understand and meet the needs of their employees. For example, providing a competitive salary and safe working conditions can fulfill the physiological and safety needs of employees, while providing opportunities for professional development and recognition can fulfill the esteem and self-actualization needs of employees. By meeting the needs of employees, organizations can motivate them to work harder and achieve better results.

Herzberg's Two-Factor Theory is a motivational theory that suggests that there are two types of factors that impact employee motivation and job satisfaction: hygiene factors and motivators (Herzberg, Mausner, & Snyderman, 1959). Hygiene factors refer to basic needs that must be met in the workplace, such as adequate pay, job security, working conditions, and organizational policies. According to the theory, these factors alone do not necessarily lead to job satisfaction, but their absence can result in job dissatisfaction and a lack of motivation. Herzberg's Two-Factor Theory has been widely studied and has been found to have relevance in a variety of organizational contexts (Khan & Farooq, 2014).

Employee Motivation in Relation to Job Satisfaction

According to research conducted by Safa, Huhtamäki, Safa, Riker, Nasir, and Sharma (2020) The concept of job satisfaction can be explained by various factors that affect an individual's quality of work-life. These factors include well-being, stress, control, home-work interface, and working conditions. Organizations need to structure the work environment to encourage productive behavior and discourage unproductive behavior because work motivation influences workplace behavior and performance.

Furthermore, they explain that as group-based systems become more common in the workplace, research on motivation within these groups becomes increasingly relevant. The study has focused on Job Characteristics Theory and Goal-Setting theory, and there is a need for more research on a broader range of motivation theories, particularly in areas such as group goals,

individual goals, cohesiveness, commitment, and performance.

In addition, the study found a reciprocal correlation between job satisfaction and employee motivation, indicating that employees with high morale tend to be satisfied with their job and satisfied employees tend to be motivated at work. The research also shows that job satisfaction influences work behaviors such as organizational citizenship behavior, while low employee morale results in withdrawal behaviors such as absenteeism and employee turnover. The study did not reveal any significant differences between different departments, gender or age groups, or length of organizational membership.

Employee Motivation in Relation to Job Performance

The study conducted by Bakker, Schaufeli, Leiter, and Taris (2008) focused on examining the relationship between employee motivation and job performance. The study was conducted using a sample of 348 Dutch healthcare workers. The researchers used surveys to gather data on the level of employee motivation and job performance, as well as on various job resources, including job autonomy and social support.

The findings of the study indicated that there was a positive relationship between employee motivation and job performance. Specifically, employees who were more motivated tended to have higher levels of job performance than those who were less motivated. The researchers suggested that this relationship could be explained by the fact that motivated employees are more likely to engage in behaviors that are beneficial to their job performance, such as putting forth greater effort and seeking out feedback. In other words, motivated employees are more likely to be proactive in their job roles and take steps to improve their performance.

Additionally, the study found that certain job resources, such as job autonomy and social support, were positively related to both employee motivation and job performance. Job autonomy refers to the degree to which an employee has control over their work tasks and schedule, while social support refers to the amount of support and encouragement an employee receives from their coworkers and supervisors. The study

found that employees who had higher levels of job autonomy and social support tended to be more motivated and had higher levels of job performance.

Employee Motivation in Relation to Employee Turnover

The study by Saeed, Almas, Anis ul Haque, and Niazi (2014) provides evidence that there is a relationship between employee motivation and employee turnover. The findings of the study suggest that when employees are highly motivated, they are less likely to leave their jobs. This can be attributed to the fact that motivated employees tend to have higher job satisfaction, are more engaged in their work, and feel more connected to their organization. Conversely, employees who lack motivation may be more likely to become disengaged and dissatisfied with their work, which can lead to higher rates of turnover.

In order to reduce employee turnover rates, organizations need to focus on improving employee motivation. This can be achieved by creating a positive work environment that fosters employee engagement, offering opportunities for growth and development, recognizing and rewarding employee performance, and providing support and encouragement to employees. By addressing these factors, organizations can increase employee motivation, which in turn can help to reduce employee turnover rates.

Job Satisfaction

Job satisfaction refers to the level of contentment an employee feels towards their job or work environment. It is the degree to which an individual enjoys their work, feels fulfilled, and is motivated to perform well in their role. Job satisfaction is a complex concept that is influenced by a variety of factors, including the work itself, pay, promotion opportunities, relationships with coworkers and supervisors, organizational culture, and work-life balance.

According to Robbins and Judge (2019), "job satisfaction is the positive emotional state resulting from the appraisal of one's job or job experiences." They go on to explain that job satisfaction is a multi-dimensional concept that can be broken down into various facets, including satisfaction with pay, promotion opportunities, supervision,

coworkers, the work itself, and the overall work environment.

Research has consistently shown that job satisfaction is linked to a range of positive outcomes, including increased productivity, job performance, and job commitment, as well as reduced absenteeism and turnover rates (Judge et al., 2017). Therefore, it is important for organizations to prioritize employee job satisfaction as it can have a significant impact on both individual and organizational outcomes.

Job Satisfaction in Relation to Job Performance

The study conducted by Judge, Thoresen, Bono, and Patton (2001) aimed to examine the relationship between job satisfaction and job performance. The researchers conducted a meta-analysis of 312 independent samples, which included data from more than 37,000 employees across various industries.

The findings of the study indicated that there was a positive relationship between job satisfaction and job performance. Specifically, employees who reported higher levels of job satisfaction tended to have higher levels of job performance than those who reported lower levels of job satisfaction. The researchers suggested that this relationship could be explained by the fact that employees who are satisfied with their jobs are more likely to be engaged and committed to their work, which in turn leads to higher levels of job performance.

The study also explored potential moderators of the job satisfaction-job performance relationship, such as job type and measurement type. The researchers found that the relationship between job satisfaction and job performance was stronger for jobs that were more complex and required higher levels of skill and knowledge. They also found that the relationship was stronger when job performance was measured objectively, such as through supervisor ratings, as opposed to subjectively, such as through self-ratings.

Job Satisfaction in Relation to Employee Turnover

One study carried out by Mobley, Griffeth, Hand, and Meglino (1979) aimed to examine the relationship between job satisfaction and employee turnover. The

researchers conducted a conceptual analysis of the employee turnover process, reviewing various theoretical perspectives on why employees leave their jobs and presented a model of the turnover process.

The findings of the study indicated that there was a negative relationship between job satisfaction and employee turnover. Specifically, employees who reported higher levels of job satisfaction were less likely to leave their jobs than those who reported lower levels of job satisfaction. The researchers suggested that this relationship could be explained by the fact that employees who are satisfied with their jobs are less likely to experience negative emotions such as stress and burnout, and are more likely to feel committed to their organization.

The study also explored potential moderators of the job satisfaction-employee turnover relationship, such as job tenure and organizational commitment. The researchers found that the relationship between job satisfaction and employee turnover was stronger for employees who had shorter job tenures and lower levels of organizational commitment.

Job Performance

Job performance refers to the level of effectiveness and efficiency with which an employee performs their job tasks and responsibilities. It is a measure of how well an individual is meeting the expectations and standards set by their employer for their role. Job performance is influenced by a range of factors, including an individual's skills, abilities, motivation, and work environment.

As defined by Robbins and Judge (2019), job performance is "the value of the set of employee behaviors that contribute, either positively or negatively, to organizational goal accomplishment." They further explain that job performance can be broken down into three components: task performance, citizenship behavior, and counterproductive behavior. Task performance refers to the specific job duties and responsibilities an employee is expected to perform, while citizenship behavior involves actions that contribute to the overall functioning of the organization but are not necessarily part of an employee's job description. Counterproductive behavior, on

the other hand, involves actions that are harmful to the organization.

Research has consistently shown that job performance is a critical factor in determining an individual's success in the workplace and their ability to achieve their career goals (Barrick & Mount, 1991). In addition, job performance is important to organizations as it directly impacts their ability to achieve their strategic objectives and maintain their competitive advantage in the marketplace.

Job Performance in Relation to Employee Turnover

The study conducted by Griffeth, Hom, and Gaertner (2000) examines the relationship between job performance and employee turnover. The researchers conducted a meta-analysis of 146 studies, which included data from more than 77,000 employees across various industries.

The findings of the study indicated that there was a negative relationship between job performance and employee turnover. Specifically, employees who performed well in their jobs were less likely to leave their organization than those who performed poorly. The researchers suggested that this relationship could be explained by the fact that employees who perform well in their jobs are more likely to be satisfied with their work and feel valued by their organization. Additionally, they may have better job prospects and more opportunities for career advancement within the organization.

Potential moderators of the job performance-employee turnover relationship, such as job type and job tenure, were also explored in the study. The researchers found that the relationship between job performance and employee turnover was stronger for jobs that required high levels of skill and knowledge, as well as for employees with shorter job tenures.

Employee Turnover

Employee turnover refers to the rate at which employees leave a company and need to be replaced by new hires. It is a key metric that reflects the level of job satisfaction and employee engagement within an organization. According to Cascio (2018), employee turnover can be measured in different ways, including voluntary turnover, involuntary

turnover, and total turnover. Voluntary turnover occurs when employees choose to leave a company, while involuntary turnover happens when employees are terminated or laid off by the employer. Total turnover is the sum of both voluntary and involuntary turnover.

Employee turnover has significant implications for organizations. High turnover rates can lead to increased costs associated with recruiting, hiring, and training new employees (Cascio, 2021). It can also negatively impact employee morale and productivity, as remaining employees may feel overworked and demotivated due to the constant departure of colleagues. Moreover, high turnover rates can signal underlying problems within an organization, such as poor management practices or a toxic work environment (Kramar, 2014). Addressing these issues can help to reduce turnover and improve overall employee satisfaction and retention.

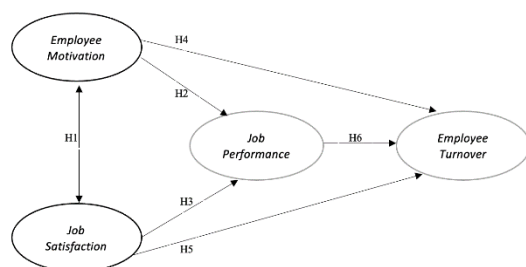


Figure 1. Research Model

Hypothesis

The study's primary purpose was reflected through the formulation of the hypothesis below based on the previous literature review.

H1: Employee motivation has a positive effect on job satisfaction.

H2: Employee motivation affects job performance positively.

H3: Job satisfaction has a positive impact on job performance.

H4: Employee motivation has a positive effect on employee turnover.

H5: Job satisfaction impacts employee turnover positively.

H6: Job performance has a positive effect on employee turnover.

RESEARCH METHOD

To effectively determine the research methodology, it is essential to first identify the research objectives. This study has four primary objectives, which are:

1. Identify the factors that motivate employees in the Food and Beverage industry in Indonesia
2. Examine the relationship between employee job satisfaction and performance
3. Assess the impact of employee motivation, job satisfaction, and performance on reducing employee turnover.

Sampling Procedure

To attain the objectives mentioned, this study employed a quantitative approach. Primary data was collected through surveys with employees of chain restaurants in Indonesia's hospitality industry, specifically from two brands of chain restaurants to narrow the scope. In addition, utilizing a probability sampling method would require a vast number of employees from more brands, which is unattainable for the given time. Hence, a non-probability convenience sampling method was used.

Non-probability convenience sampling is adopted in this research, it is a type of sampling method used in research where participants are selected based on their availability and willingness to participate, rather than being selected randomly. This type of sampling is often used when researchers have limited time, resources, or access to a specific population (Creswell, 2014). Convenience sampling involves selecting participants who are easily accessible and available to participate in the study.

Non-probability sampling methods such as convenience sampling have been widely criticized for their potential to introduce bias into a study. However, these methods are often used in situations where probability sampling is not feasible or practical (Creswell, 2014). Despite its limitations, convenience sampling can be a useful and efficient method of sampling in certain research contexts. For example, it can be an appropriate method when the research question is exploratory or preliminary, or when the research is focused on a specific group or population that is difficult to access through other means (Bryman, 2016).

The population frame was adopted from the several chains of the two chosen restaurants, namely Lot 9 and Michael's Garden. There are 124 individuals employed in the examined restaurants (Table 1 provides an overview of the survey sample by the restaurant).

Table 1. Population & Sample

Restaurant	Population	Sample	Percentage
Lot 9	60	49	57.0%
Michael's Garden	64	37	43.0%
Total	124	86	100.0%

Source: Collected Data (2023)

Data Collection

For the data collection part of this research, a survey was conducted among restaurant employees to gather information about their motivation, job satisfaction, and job performance. These questions are designed to assess the extent to which employees' needs at each level of Maslow's hierarchy of needs are being met, which can serve as an indicator of employee motivation. In addition, the questions asked examines the extent to which factors related to job satisfaction and motivation, as identified by Herzberg's Two-Factor Theory, impact employee performance.

The questions asked were as follows:

1. How satisfied are you with the level of recognition and respect you receive in the workplace?
2. To what extent does your job provide opportunities for personal growth and development?
3. How well does your employer provide for your basic physiological needs, such as food and shelter?
4. How satisfied are you with the level of job security and stability your employer provides?
5. To what extent does your employer provide a sense of community and belonging in the workplace?
6. To what extent does the level of job satisfaction you experience affect your overall job performance?

7. How satisfied are you with the opportunities for growth and advancement within your current role?

8. To what extent do you feel recognized and valued for your contributions to the organization?

9. How satisfied are you with the level of autonomy and control you have in your work?

10. To what extent does your supervisor provide clear and constructive feedback on your performance?

11. To what extent are you considering moving to a different job?

These questions were then changed into statements so that respondents could easily rate them using a 4-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Agree, and 4 = Strongly Agree).

Data Analysis

The data analysis method chosen for this research is descriptive statistics, which involves the use of quantitative measures to summarize and describe data in a meaningful way (Harris, 2001). Descriptive statistics allow researchers to examine the central tendencies, variability, and distribution of their data, and to identify patterns and trends that may be present. Descriptive statistics can be used to summarize the data collected through various research methods such as surveys, experiments, and observations. The measures commonly used in descriptive statistics include measures of central tendency such as mean, median, and mode, and measures of variability such as standard deviation and range.

By using descriptive statistics, researchers can effectively summarize and present their data in a clear and concise manner, providing insights into the characteristics of the sample population and helping to identify any trends or patterns that may be present (Harris, 2013). In the context of this research question, descriptive statistics can be used to summarize and analyze the data collected on employee motivation, job satisfaction, and performance, and to identify any relationships or correlations that may exist between these variables and reducing employee turnover. With the aid of SmartPLS software, PLS-SEM (Partial Least Squares-

Structural Equation Modeling) methodology is utilized for statistical analysis.

RESULTS AND DISCUSSION

Characteristics of Respondents

The data provide insights into the characteristics of the respondents surveyed. Among the respondents, the majority were male, accounting for 66.3% of the sample, while 33.7% were female. In terms of age, 60.5% of respondents were aged between 20 and 30, while 33.7% were aged between 30 and 40. Only 5.8% of respondents were aged above 40. Regarding the duration of working in the current restaurant, the majority of the respondents had worked there for more than a year. Specifically, 20.9% had worked for a year, 23.3% for two years, and 29.1% for three years. Furthermore, 11.6% had worked for four years, 5.8% had worked for five years, and only 2.3% had worked for more than five years. Overall, the results indicate that the majority of the respondents were male, young, and had worked at their current restaurant for less than three years.

Table 2. Valid Survey Sample Characteristics

Characteristic	Percentage
Gender	66.3%
• Male	33.7
• Female	
Age	60.5%
• 20 - 30	33.7%
• 31 - 40	5.8%
• 40 <	
Duration Working in the Current Restaurant	
• < 1 year	6.98%
• 1 year	20.9%
• 2 years	23.3%
• 3 years	29.1%
• 4 years	11.6%
• 5 years	5.8%
• 5+ years	2.3%

Source: Processed Data (2023)

Measurement Model

The validity test is a process used in statistics to determine the extent to which a

measurement tool, such as a questionnaire or an experiment, accurately measures what it is intended to measure. It assesses whether the measurement tool is valid or not, and there are different types of validity tests, including content validity, construct validity, and criterion-related validity. By conducting validity tests, researchers can ensure the accuracy and reliability of their findings (Polit & Beck, 2021). Average Variance Extracted (AVE) is a statistical measure used to evaluate the convergent validity of a measurement model in structural equation modeling (SEM). The values range from 0 to 1, with a score of 0.5 or higher indicating acceptable convergent validity (Hair, Black, Babin, & Anderson, 2019).

Table 3: Evaluation of Measurement Models

Contract & Item	Outer loading
Employee Motivation (AVE=0.571; CR=0.969)	
EM1	I am satisfied with the level of recognition and respect I receive in the workplace. 0.712
EM2	My job provides opportunities for personal growth and development. 0.460
EM3	My employer provides for your basic physiological needs, such as food and shelter. 0.664
EM4	I am satisfied with the level of job security and stability my employer provides. 0.601
EM5	My employer provides a sense of community and belonging in the workplace. 0.824
Employee Turnover (AVE=0.518; CR=0.518)	
ET1	I am considering moving to a different job in the next year or so. 1.000

Job Performance (AVE=0.319; CR=0.319)

JP1	The level of job satisfaction I experience affects my overall job performance.	1.000
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Job Satisfaction (AVE=0.446; CR=0.913)

JS1	I am satisfied with the opportunities for growth and advancement within my current role.	0.801
JS2	I feel recognized and valued for your contributions to the organization.	0.637
JS3	I am satisfied with the level of autonomy and control you have in my work.	0.887
JS4	My supervisor provides clear and constructive feedback on my performance.	0.637

Source: Processed Data (2023)

Table 4. Evaluation of Discriminant Validity

	EM	JS	JP	ET
EM	1.000			
JS	0.521	0.494		
JP	0.291	0.217	0.267	
ET	0.547	0.425	0.223	0.456

Source: Processed Data (2023)

Structural Model

Table 5 shows the results of collinearity evaluation for four constructs: Employee Motivation, Job Satisfaction, Job Performance, and Employee Turnover. VIF (Variance Inflation Factor) measures the degree of multicollinearity among independent variables in regression analysis. A VIF value less than 5 indicates a low level of collinearity, while a value greater than 5 indicates high collinearity (Hair et al., 2019). Based on the data in Table 5, all constructs have VIF values less than 5, which suggests

low collinearity and indicates that the

Construct	VIF
Employee Motivation	1.9496
Job Satisfaction	1.55175
Job Performance	1
Employee Turnover	1

independent variables in the regression analysis are not highly correlated with each other.

Table 5. Collinearity Evaluation

Source: Processed Data (2023)

According to Hartono (2004), the t-value measures the difference between the observed data and the mean, standardized by the standard deviation. It is a measurement of the significance of a hypothesis. To determine statistical significance, the t-value is calculated by dividing the estimated difference by the standard error of the estimate, and it is then compared to the t-table value at the selected significance level (α). For instance, the study compared the t-count to the t-table value for a one-tailed hypothesis at the 95% significance level ($= 0.05$), which is 1.65.

The null hypothesis can be rejected if the results are statistically significant and the t-count is larger than the t-table value. If the results are not statistically significant and the t-count is less than the t-table value, the null hypothesis cannot be rejected. In this case, two hypotheses were rejected, specifically, employee motivation affects job performance positively (H2) and job performance has a positive effect on employee turnover (H6) since the t-count value are less than 1.65.

Table 6. Hypothesis Test Results

Hypothesis	Path Coefficient	t count	Results
H1: Employee motivation has a positive effect on job satisfaction.	0.732	10.7	Support
H2: Employee motivation affects job performance positively.	0.108	1.52	Does not Support

H3: Job satisfaction has a positive impact on job performance.	0.214	3.01	Support
H4: Employee motivation has a positive effect on employee turnover.	0.401	8.35	Support
H5: Job satisfaction impacts employee turnover positively.	0.407	8.48	Support
H6: Job performance has a positive effect on employee turnover.	0.066	0.93	Does not Support

Source: Processed Data (2023)

Employee motivation has a path coefficient of 0.732 on job satisfaction, while it has a 0.108 effect on job performance and 0.401 effect on employee turnover. Furthermore, job satisfaction has a path coefficient of 0.214 on job performance and 0.407 on employee turnover. Lastly, job performance has a path coefficient of 0.066 on employee turnover. The Figure below (2) displays the model of the outcomes of PLS hypothesis testing.

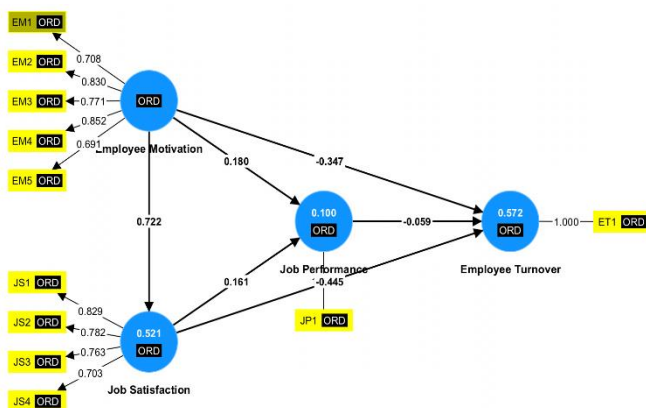


Figure 2: Model Hypothesis Test Results

Discussion

The study results support the first hypothesis (H1). The path coefficient is 0.732 with a t-count of 10.7, indicating a statistically significant positive effect of employee motivation on job satisfaction. The outer loading values of employee motivation construct (EM1 to EM5) also provide

evidence of the relationship between employee motivation and job satisfaction. Specifically, items like "I am satisfied with the level of recognition and respect I receive in the workplace" and "My employer provides a sense of community and belonging in the workplace" suggest that when employees feel motivated and recognized, they are more likely to be satisfied with their job.

On the contrary, the second hypothesis (H2) does not receive support from the study results since the path coefficient is 0.108 with a t-count of 1.52, indicating no statistically significant relationship between employee motivation and job performance. While the outer loading values of the Employee Motivation construct (EM1 to EM5) suggest that some aspects of employee motivation may have a positive impact on job performance, such as opportunities for personal growth and development, the overall relationship is not significant.

Nevertheless, the third hypothesis (H3) is supported by the study results as the path coefficient is 0.214 with a t-count of 3.01, indicating a statistically significant positive effect of job satisfaction on job performance. The outer loading values of the Job Performance construct (JP1) also provide evidence of the relationship between job satisfaction and job performance. Specifically, the item "The level of job satisfaction I experience affects my overall job performance" suggests that when employees are satisfied with their job, they are more likely to perform better.

In addition, the study results support the fourth hypothesis (H4). The path coefficient is 0.401 with a t-count of 8.35, indicating a statistically significant positive effect of employee motivation on employee turnover. The outer loading values of the Employee Turnover construct (ET1) also provide evidence of the relationship between employee motivation and employee turnover. The item "I am considering moving to a different job in the next year or so" suggests that when employees are not motivated, they are more likely to consider leaving their current job.

Similarly, hypothesis five (H5) is supported by the results attained in this study since the path coefficient is 0.407 with a t-count of 8.48, indicating a statistically significant positive effect of job satisfaction

on employee turnover. The outer loading values of the Employee Turnover construct (ET1) also provide evidence of the relationship between job satisfaction and employee turnover. The item "I am considering moving to a different job in the next year or so" suggests that when employees are not satisfied with their job, they are more likely to consider leaving their current job.

However, the last hypothesis (H6) does not receive support from the study results. The path coefficient is 0.066 with a t-count of 0.93, indicating no statistically significant relationship between job performance and employee turnover. While it is possible that job performance could impact employee turnover, the study did not find evidence of this relationship. The outer loading values of the Employee Turnover construct (ET1) also do not suggest a strong relationship between job performance and employee turnover. The item "I am considering moving to a different job in the next year or so" is not directly related to job performance.

CONCLUSION AND RECOMMENDATIONS

In conclusion, this study aimed to explore the relationships between employee motivation, job satisfaction, job performance, and employee turnover. The study's findings supported the hypotheses that employee motivation has a positive effect on job satisfaction, job satisfaction has a positive impact on job performance, employee motivation has a positive effect on employee turnover, and job satisfaction impacts employee turnover positively. However, the hypothesis that employee motivation affects job performance positively did not receive support from the data.

The results of this study can help organizations understand the importance of employee motivation and job satisfaction in reducing employee turnover and improving job performance. By creating a work environment that supports employee motivation and job satisfaction, organizations can increase job performance, decrease employee turnover, and ultimately improve their bottom line. Further research can explore additional factors that may impact these relationships, such as the role of leadership and organizational culture.

As with any research, there are several limitations to this study that should be considered. One limitation is that the study was conducted in a specific geographic location and may not be generalizable to other regions or industries.

While this study provides useful insights into the factors that impact employee turnover in Indonesia's Food and Beverage industry, there are several areas that require further research. For example, future studies could focus on the impact of cultural differences on employee motivation, job satisfaction, and performance. Additionally, future research could explore the relationship between employee turnover and customer satisfaction, as well as the impact of turnover on the financial performance of businesses in the Food and Beverage industry. Further research could also be conducted on the effectiveness of different employee retention strategies, such as bonuses, career development opportunities, and more flexible work schedules.

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